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Establishment of Bankruptcy Law Working Group

Prepared for:
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According to the requirements of the approved work plan, the key members of the working group on bankruptcy have been identified and a legislative working group on bankruptcy established (please see attached list of members).

Furthermore, the first working group meeting was held on May 20, 2004 (please see attached minutes and agenda).

LIST OF BANKRUPTCY INITIATIVE WORKING GROUP MEMBERS

N	Name	Organization	Position
1.	Roin Migriauri	Law Firm	Lawyer
2.	Shalva Kurdadze	Tbilisi State University	Lecturer
3.	Zviad Gadelia		Bankruptcy Administrator
4.	Aleko Ioseliani	District Court	Judge
5.	Paliko Kublashvili	Security Council	Lawyer
6.	Lazare Zirkvelishvili	District Court	Judge
7.	Lela Nadibaidze	Tbilisi State University	Lecturer
8.	Niko Bakashvili		Auditor
9.	Tata Kandelaki	World Bank	Economist
10.	Mamuka Machaidze	National Bank of Georgia	Deputy Head of the Banking Supervision Department
11.	Nato Beruashvili	GEGI	Manager, Legal Reform
12.	Irakli Kordzakhia	Law Firm	Lawyer
13.	Mzia Todua	Association of Judges	President
14.	Tea Gomelauri	NGO "Article 42 of the Constitution"	FundRising Manager
15.	Levan Djvatcheishvili		Auditor
16.	Shorena Djankhoteli	Parliament	Lawyer

Bankruptcy Working Group Meeting

May 20, 2004

18.00

GEGI OFFICE

AGENDA

Introduction

I. Agreement on the result - effective bankruptcy proceedings

II. Agreement on Action Plan to achieve result

- **Agreement on Legislative/Non-Legislative Remedies Initiative**

1. Approval of the Working Group Members
2. WG Tasks

- a) Development of the proposed amendment to the existing law “On Bankruptcy Proceedings” and other relevant normative acts
- b) Advocacy of the proposed legislation at the Parliament by the Working Group

- **Development and Execution of the Law Implementation and Enforcement Strategy**

- **Public Outreach**

1. Public outreach campaign on economic and social benefits of a bankruptcy regime
2. Public outreach campaign publicizing the enacted legislation

- **Training**

1. Training of bankruptcy administrators
2. Training of judges of General Jurisdiction Courts with respect to the Law “On Bankruptcy Proceedings”
3. Training of lawyers practicing in the sphere of bankruptcy

Bankruptcy Working Group Meeting**May 20, 2004****MINUTES****Attended:**

Roin Migriauri
Aleko Ioseliani
Tea Gomelauri
Nato Beruashvili
Niko Bakashvili
Irakli Kordzakhia

Excused:

Tata Kandelaki
Mamuka Machaidze
Lazare Zirkvelishvili

The importance of bankruptcy proceedings in Georgia, and GEGI activities in this sphere were emphasized.

The working group members agreed on the objectives of its activities, as well as a general action plan to achieve the desired results. Legislative improvements, training of bankruptcy administrators, judges and other lawyers, as well as an education campaign directed towards the business community on the economic and social benefits of a modern bankruptcy regime were included in the action plan. The public outreach and training activities will be implemented once amended legislation has been passed.

At its initial stage, the working group would be responsible for the legislative enhancement initiative. Several provisions of the law require amendment such as rehabilitation procedures, provisions on bankruptcy administrators and bankruptcy of banks. The legislative strategy of the working group was determined as follows: 1) identification of specific issues to be resolved in the legislation; 2) discussion and agreement on the recommendations; 3) actual drafting of the proposed amendments to the “Law on Bankruptcy Proceedings”.

In parallel, the GEGI grantee – NGO “Article 42” within the framework its grant has been tasked with conducting a survey of bankruptcy court cases in order to reveal deficiencies of both a legislative and non-legislative character. In addition, “Article 42” has committed to actively participate in working group activities.

The meeting was adjourned and the next meeting was scheduled for June 4 2004.